GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:5218
ANSWERED ON:14.05.2007
DAMIGSS
Reddy Shri Karunakara G.

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government has notified certain States/Union Territories for grant of assistance for investment subsidy on infrastructure projects under the `Development of Agricultural Marketing Infrastructure, Grading and Standardization Scheme`;

(b) if so, the details in this regard and the criteria for identifying beneficiary States/Union Territories;

(c) whether Karnataka has also been considered for grant of assistance under the said Scheme; and

(d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a): Yes, Sir.

(b): The Department of Agriculture & Cooperation is implementing a Central Sector Scheme for Development of Agricultural Marketing Infrastructure, Grading and Standardization. The main objective of the Scheme is to develop marketing infrastructure in the country to cater to the post harvest requirement of production and marketable surplus of various farm products and allied sectors including dairy, meat, fisheries and minor forest produce.

The Scheme is being implemented in only such notified States/Union Territories, in which the State Agricultural Produce Marketing Committee (APMC) Act has been amended to allow direct marketing and contract farming and to permit setting up of agricultural markets in private and cooperative sectors as suggested by the Ministry of Agriculture in the Model Agricultural Produce Marketing (Development & Regulation) Act circulated to all States/Union Territories in 2003.

The Assistance under the Scheme is available to individuals, group of farmers/growers/ consumers, partnership/proprietary firms, Non-Governmental organizations, self-help groups, companies, corporations, cooperatives, cooperative marketing federations, local bodies, Agricultural Produce Market Committees and State Marketing Boards.

Under this Scheme, a credit-linked back-ended subsidy on investment is provided @25% of capital cost of the project for setting up of general or commodity specific infrastructure for marketing of agricultural commodities and for strengthening and modernization of existing agricultural markets, wholesale, rural and periodic markets. In case of projects belonging to North-East States, hilly areas and SC/ST entrepreneurs, the rate of subsidy is 33.33% of the cost of projects. The upper ceiling of subsidy in these cases is Rs.50.00 lakh per project and Rs.60 lakh per project respectively. However, in respect of infrastructure projects of State agencies, there is no upper ceiling on the subsidy.

(c)&(d): No, Sir. The State of Karnataka has not been notified as eligible under the scheme, because the State Government there has not yet implemented the amendments required in the State APMC Act in accordance with the guidelines of the Scheme.